

San Diego City Attorney MICHAEL J. AGUIRRE

NEWS RELEASE

FOR IMMEDIATE RELEASE: May 8, 2006

Contact: Maria Velasquez, Communications Director (619) 235-5725 (pager & voicemail) mvelasquez@sandiego.gov

RECORDING AND MOTION PICTURE INDUSTRY BACK COURT ACTION FORBIDDING SALE OF PIRATED MUSIC AND MOVIE PRODUCTS AT LOCAL FLEA MARKET

COURT ORDERS 24 -HOUR SURVEILLANCE CAMERAS AT FAM MART

San Diego, CA: A Court order forbidding the sale of pirated music and movie products at a local flea market comes less than a week after San Diego was identified by the Recording Industry Association of America as one of the hot spots in the United States for illegal sales of DVDs and CDs. The Court action also requires the owner to install surveillance cameras that can be accessed by the San Diego Police Department. The preliminary injunction was signed by San Diego Superior Court Judge Patricia Cowett against Kyoung Soo Lee, owner of FAM MART Discount Store.

"The sale of pirated music and movie DVDs and CDs attracted gang violence and other criminal activity to the area," said City Attorney Michael Aguirre. "This court action will protect the community and restore law and order. This injunction highlights the kind of success we can achieve through collaborative efforts."

City Attorney prosecutors from the Drug Abatement Response Team (DART) and Consumer & Environmental Protection Unit (CEPU) filed the civil lawsuit on January 25, 2006 against the owner of FAM MART for unlawful business practices and nuisance activity. The complaint was based on evidence gathered after the Mid City Police Division and investigators from the music, movie and clothing industries conducted an extensive undercover operation and raid on FAM MART on November 17, 2005. The raid resulted in the confiscation of over 5,500 CDs, DVDs and cassettes, including counterfeit clothing apparel worth well over \$100,000. Approximately sixteen vendor-owners and clerks were arrested on counterfeiting charges, including the owner of FAM MART. The criminal prosecution is being handled by the San Diego County District Attorney's Office.

"If you're going to do business in San Diego or District 4, you are going to do it responsibly and ethically," said Council member Tony Young. "I applaud the agencies that came together to tackle this illegal activity that has caused harm to this community."

(MORE)

Page 2

The complaint alleged that since 2003 FAM MART has been a public nuisance because of the hundreds of arrests and citations for a variety of crimes. Gang-related shootings also occurred at FAM MART in August and December 2005 and April 2006. In response to the violence and counterfeit activity, the court action also calls for FAM MART to install an internet video camera system accessible to San Diego Police. According to Deputy City Attorney Makini Hammond who filed the case, the installation of a 24-hour surveillance camera both inside and outside the property of a business is a unique remedy.

"With San Diego identified just last week as one of 12 domestic 'hot spots' for music piracy, this court order could not come at a better time," said Brad Buckles, Executive Vice President, Anti-Piracy for the Radio Industry Association of America. "We commend the San Diego City Attorney's Office for demonstrating a commitment to combat music theft."

The owner of FAM MART has also been ordered to retain a licensed security company to make sure that illegal activity such as counterfeit sales, drug sales, gang activity, gambling, and loitering does not occur either inside or outside of the premises.

"You have to go after the underlying reason as to why the violence was occurring here at FAM MART and we discovered it was the illegal sales of music and movie products," said Captain Robert Kanaski. "So, by taking away those underlying reasons, we are hopeful criminal activity and violence will stop."

The terms of the lawsuit were announced today at news conference outside FAM MART, located at 1755 Euclid Avenue in Oak Park, a suburb of the City of San Diego. Representatives from the Motion Picture Association of America were also in attendance and applauded the City Attorney's Office and San Diego Police Department for their efforts.

"When you have merchants selling illegal products, they are taking away directly from this community and robbing business from those merchants who choose to conduct business legally on a daily basis," said Tony Rosario, Anti-Piracy Operations, Motion Picture Association of America. "Today's court action sends a message to swap meet owners and vendors that if they choose to continue to allow this kind of illegal activity, they will be held accountable."

The Preliminary Injunction against the FAM MART owner also requires the owner to conduct background checks on his vendors before allowing them to sublease any portion of the premises. FAM MART's owner and vendors must also attend training on how to recognize counterfeit merchandise. In addition, sweeps of the premises are required to be conducted by security and management to ensure that illegal products are not being sold.

DART is the City's inter-departmental task force comprised of the City Attorney's Office, the San Diego Police Department, and the City's Neighborhood Code Compliance Department. Through a variety of civil and criminal remedies, DART's mission is to target properties that have become a public nuisance. CEPU is a specialized unit in the Criminal Division of the City Attorney's Office that investigates and prosecutes criminal and civil violations of state and municipal laws.

###